



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

Analisi della Proprietà Capitalista. By ACHILLE LORIA. Torino, Fratelli Bocca, 1889. — 2 vols. gr. octavo, 777, 474 pp.

"*Ingens iterabimus aequor*," as the author says at the end of his first volume, looking forward to the second. Italy has long been giving us much of our best economic literature, and this is her masterpiece. Already well known by his work on the *Law of Population in the Social System* (1882) and his monograph on the *Influence of Ground Rent in the Topographical Distribution of Industry* (*Rendiconti dell' Acc. dei Lincei*, 1888), Loria now presents his *magnum opus* in a radical examination of the phenomenon of profits, viewed in the Smithian sense of gross return for the use of capital. Loria is a professor in the University of Siena. His essay has been crowned with a royal prize offered for the best discussion of an economic topic. Its first volume sets forth the theory abstractly, the second seeks to justify it *a posteriori* by a careful industrial history of Europe and the colonies. This at least is well done, and the reader, even should he feel obliged to eliminate the author's theorizing, will find the volume a most valuable addition to economic history. The chief topics in this historical survey are *profits* as based (1) on slavery, (2) on serfdom and (3) on wages. The book reminds one in many ways of Marx's *Kapital*. Starting, like that, from Ricardo and essaying to complete him, it breaks as radically with economic orthodoxy, betrays the same keen analysis, a more consistent logic and an even more astonishing mastery of economic literature, whether standard or recondite, old or recent. In the last respect the author is second to Roscher alone. While he is familiar with the libraries of Rome and Berlin, long study in the British Museum has rendered him specially fond of the English economists. He refers to them oftener than to the German, far oftener than to the French. He is at home in the latest American and Austrian economic treatises, and more than once quotes from the Russian. He is well read in philosophy too, even in authors so wide apart as Hegel and Herbert Spencer. Nor do his learned references seem artificially paraded. The broad scope of the *Analysis* affords space and occasion for review of every cardinal topic in political economy, — population, value, money, interest, taxation, — and upon none of them does Loria fail to show himself a master. Specially noteworthy is his conception of "natural" or "pure" wages, and his proof that it need not be starvation wages.

The theoretical part of the work canvasses the same problem which engaged Marx, though solving it rather by the method of Henry George. Loria's main thesis is that profits arise solely from the suppression of free land. So long — this is the thought of chapter i, volume i — as free lands exist, accessible to the laborer, either "dissociate economy" or

"mixed association" prevails,—mere laborers working for capitalists only while they can thus earn more than by pure labor on land. So long, in Loria's technical phrase, they have "option," and neither wages nor profits exists as a category by itself. Both arise, however, as soon as land ceases to be free, wages henceforth falling below the "natural" rate prevalent till now, while profits exceed the old normal, involving the illicit element so familiar to Marx's readers as "surplus value." Social profits break up into individual profits through the operation of value, whose analysis forms the subject of the second chapter. There is thus competition among capitalists to increase their profits, tending for a time to keep wages above the minimum of the laborer's existence and to restore to him the "option." This constrains capitalists, in order that profits may continue, to force wages down to the existence minimum, precisely according to Ricardo's iron law. For this they employ various means,—artificial elevation of land values, total reduction of wages, depreciation of the circulating medium, employment of women and children, lengthening of the labor day and conversion of wage capital into fixed. All this is studied in the third chapter, where Loria thinks he lays bare the very "interior life" of profits. Capital now has free field for development within itself, the result of this process, detailed in chapter iv, being its subdivision into interest, reward to oversight and rent. In the fifth chapter he argues that profits can continue at an elevated rate only by the systematic creation of an excessive population. The gradual decrease of profits, involving the reduction of wages to a minimum, makes possible the continuance of profits, while the systematic excess of population now gives way to an automatic excess.

But the very moment when profits, thus become automatic, seem to defy every attack, begins the inevitable negation of profits. The increasing limitation of production brought about by private ownership of the soil reduces profits below the minimum, so that the continuance of production becomes irreconcilable with capitalistic economics, and it is necessary to substitute for that form of industry which is based upon the suppression of free land, the superior social form built upon free land; that is, to restore mixed association, re-establishing the marriage bond between man and the land [vol. i, p. 776].

And again in another place he says :

At this point the wages class intervenes in economic evolution for the first time with its own energy, provoking therein a radical change, *viz.*, the passage from the unconscious to the conscious. And since the reaction of the wages class is merely the result of the progressive fall in the rate of profits, which in turn results from the economic development, it is evident that there is innate in the very nature of this process that final metamorphosis which converts it from automatism into a free and human movement. From this spontaneous movement of the laboring class, which characterizes the extreme bound of capitalistic development, triumph is inevitable. Numbers, which form the

weakness of the laboring class in the economic strife, form its strength in the social, rendering its demand irresistible; and this finds its crown in the re-establishment of free land and the institution of that social form which is its necessary product [*ib.*, p. 775 *sq.*].

The author nowhere pictures this process in detail, giving us no hint whether every man is to become an agriculturalist, as Tolstoi thinks well, or whether the masses are to regain their interest in the soil through some machinery of taxation, as Henry George advocates. We hope that Loria has in store a constructive treatment of this tremendous problem.

It is hazardous, after but a single reading, to express a final opinion upon any complicated course of thought like that before us. It were easy to question and even to refute much which is here advanced. In many of its links the chain of reasoning seems weak. But we are impressed that Loria has substantially made out his main thesis, and that the practically absolute ownership of land in modern times has wrought social miseries which most economists disincline to recognize. Be this as it may, whoso, hereafter, will deeply and broadly discuss the social question in any of its main phases must reckon with Loria's *Analysis*.

E. BENJ. ANDREWS.

Le Socialisme d'État et la Reforme Sociale. Par CLAUDIO JANNET, Professeur d'Économie Politique à l'Institut Catholique de Paris. Paris, Librairie Plon, 1890. — 8vo, xiv, 606 pp.

Ferdinand Lassalle: Sein Leben und Wirken. Von DR. ADOLPH KOHUT. Leipzig, Verlag von Otto Wigand, 1889. — 12mo, ix, 210 pp.

Socialism and social reform continue to be excitative of a great deal of literature. These subjects have aroused the public imagination, and every one who describes what that vague terror, socialism, really is, or who suggests a plan of reform, is eagerly listened to. Two books touching these points lie before us. M. Jannet writes an important work defining the position of the French Catholic church on the social question; while Dr. Kohut adds one more contribution to the Lassalle cult.

It is surely a matter of very great importance, what position the Christian church, and especially the Catholic church, on the continent of Europe takes on the social question. Its utterances must be listened to with great respect; and it is not too much to say that every right-minded man will listen with the hope that out of the church's wisdom may come some absolving word showing us the true way out of our difficulties. The layman, reading the work of the Catholic theologian